

TSX:GWO

Readers are referred to the cautionary notes regarding Forward-Looking Information and Non-IFRS Financial Measures at the end of this release. All figures are expressed in Canadian dollars, except as noted.

### **Great-West Lifeco reports fourth quarter 2015 results and increases dividend by 6.1%**

*Winnipeg, February 11, 2016 ...* Great-West Lifeco Inc. (Lifeco) has reported net earnings attributable to common shareholders of \$683 million or \$0.688 per common share for the three months ended December 31, 2015 compared to \$657 million or \$0.658 per common share for the same period in 2014.

For the twelve months ended December 31, 2015, net earnings attributable to common shareholders were \$2,762 million, compared to \$2,546 million for the same period in 2014, an increase of 8.5%. This represents \$2.774 per common share for the twelve months ended December 31, 2015, compared to \$2.549 per common share for the same period in 2014.

Consolidated assets under administration at December 31, 2015 grew to over \$1.2 trillion, up \$149 billion from December 31, 2014.

#### *Highlights*

- Lifeco declared a quarterly common dividend of \$0.3460 per common share payable March 31, 2016, a 6.1% increase from the previous quarter.
- Lifeco sales in the fourth quarter of 2015 of \$39.0 billion were up 81% from the same quarter in 2014:
  - Canada sales were \$3.5 billion, up 5%, reflecting solid sales across all lines of business.
  - Europe sales were \$3.9 billion, up 24%, reflecting strong pension and savings sales across all regions.
  - Great-West Financial sales were US\$15.5 billion, up 287%, driven by an increase in large plan sales in Empower Retirement.
  - Putnam gross sales were US\$8.1 billion, down 12% overall. Institutional sales increased 28%, while mutual fund sales decreased by 32%, reflecting the decline in industry flows in the segments where Putnam operates.
- Lifeco maintained a strong ROE of 14.7% based on net earnings.
- Lifeco's capital position remained very strong. The Great-West Life Assurance Company reported a Minimum Continuing Capital Surplus Requirements (MCCSR) ratio of 238% at December 31, 2015.
- Lifeco announced today its intention, subject to the approval of the Toronto Stock Exchange, to increase the previously announced normal course issuer bid limit from 8 million common shares to 20 million common shares.

...2

## OPERATING RESULTS

Consolidated net earnings of Lifeco include the net earnings of The Great-West Life Assurance Company (Great-West Life) and its operating subsidiaries London Life Insurance Company (London Life) and The Canada Life Assurance Company (Canada Life); Great-West Life & Annuity Insurance Company (Great-West Financial) and Putnam Investments, LLC (Putnam), together with Lifeco's Corporate operating results.

### CANADA

The Canada segment of Lifeco includes the operating results of the Canadian businesses operated by Great-West Life, London Life and Canada Life, together with an allocation of a portion of Lifeco's corporate results. The three primary business units included in this segment are Individual Insurance, Wealth Management and Group Insurance. Lifeco provides accumulation, annuity, life, disability and critical illness insurance products to individual and group clients.

Net earnings attributable to common shareholders for the fourth quarter of 2015 were \$262 million compared to \$300 million in the fourth quarter of 2014. For the twelve months ended December 31, 2015, net earnings attributable to common shareholders were \$1,195 million compared to \$1,228 million for the same period in 2014.

Total sales in the fourth quarter of 2015 of \$3.5 billion were up from \$3.3 billion in the fourth quarter of 2014. The increase in sales reflects strong Group sales in mid-size and large case markets, continued strength in participating life sales and solid Wealth Management sales in segregated funds, proprietary mutual funds and single premium group annuities. Total sales for the twelve months ended December 31, 2015 were \$12.6 billion compared to \$12.2 billion for the same period in 2014.

Total Canada segment assets under administration at December 31, 2015 were \$166 billion compared to \$161 billion at December 31, 2014.

### UNITED STATES

The United States operating results for Lifeco include the results of Great-West Financial, Putnam and the insurance businesses in the United States branches of Great-West Life and Canada Life, together with an allocation of a portion of Lifeco's corporate results.

Great-West Financial, through the Empower Retirement brand, provides an array of financial security products, including employer-sponsored defined contribution plans, administrative and recordkeeping services, individual retirement accounts, fund management and investment and advisory services. Great-West Financial also provides life insurance, annuity products and executive benefits products. Putnam provides investment management, certain administrative functions and distribution services through a broad range of investment products.

Net earnings attributable to common shareholders for the fourth quarter of 2015 were \$125 million, reflecting Great-West Financial net earnings of \$84 million and net earnings of \$41 million for Putnam, compared to \$89 million in the fourth quarter of 2014. For the twelve months ended December 31, 2015, net earnings attributable to common shareholders were \$409 million compared to \$306 million for the same period in 2014.

Great-West Financial sales in the fourth quarter of 2015 were US\$15.5 billion, up from US\$4.0 billion in the fourth quarter of 2014, primarily due to an increase in large plan sales. Approximately 50% of the in-quarter sales increase related to two new clients with approximately 140,000 participants. Sales for the twelve months ended December 31, 2015 were US\$43.2 billion compared to US\$15.3 billion in 2014, an increase of 182%.

Putnam average assets under management for the three months ended December 31, 2015 were US\$151.2 billion compared to US\$157.2 billion a year ago, a decrease of 4%, primarily due to net asset outflows and the impact of negative markets. Compared to the prior quarter, Putnam's ending assets under management increased by US\$1.7 billion. Net asset outflows for the fourth quarter of 2015 of US\$1.2 billion were comparable to the same quarter in 2014, reflecting strong institutional flows of US\$1.1 billion, an increase of US\$3.0 billion from the same quarter last year, more than offset by net outflows for mutual funds due to a decline of flows in the overall mutual fund sector.

Total United States segment assets under administration at December 31, 2015 were \$808 billion compared to \$697 billion at December 31, 2014.

## EUROPE

The Europe segment comprises two distinct business units: Insurance & Annuities and Reinsurance, together with an allocation of a portion of Lifeco's corporate results. Insurance & Annuities provides protection and wealth management products including payout annuities, through subsidiaries of Canada Life in the U.K., the Isle of Man and Germany, and through Irish Life Group Limited (Irish Life) in Ireland. Reinsurance operates primarily in the U.S., Barbados and Ireland, and is conducted through Canada Life, London Life and their subsidiaries.

Net earnings attributable to common shareholders for the fourth quarter of 2015 were \$303 million, up 11% compared to \$274 million in the fourth quarter of 2014. For the twelve months ended December 31, 2015, net earnings attributable to common shareholders were \$1,174 million compared to \$1,038 million for the same period in 2014.

Insurance & Annuities sales for the fourth quarter of 2015 were \$3.9 billion, compared to \$3.2 billion a year ago, an increase of 24%. The increase reflects higher sales across most product lines in the U.K., Germany and Ireland. Sales for the twelve months ended December 31, 2015 were \$19.5 billion compared to \$12.4 billion for the same period in 2014. The increase was primarily due to higher fund management sales and higher sales across most other product lines as well as the impact of the acquisition of The Equitable Life Assurance Society's annuity business in the first quarter of 2015.

Total Europe segment assets under administration at December 31, 2015 were \$238 billion compared to \$205 billion at December 31, 2014.

## LIFECO CORPORATE

The Lifeco Corporate segment includes operating results for activities of Lifeco that are not associated with the major business units of Lifeco.

Lifeco Corporate segment's net loss attributable to common shareholders was \$7 million in the fourth quarter of 2015 compared to a net loss of \$6 million in the fourth quarter of 2014. For the twelve months ended December 31, 2015, the net earnings attributable to common shareholders were a net loss of \$16 million compared to a net loss of \$26 million for the same period in 2014.

## QUARTERLY DIVIDENDS

At its meeting today, the Board of Directors approved a quarterly dividend of \$0.3460 per share on the common shares of Lifeco payable March 31, 2016 to shareholders of record at the close of business March 3, 2016.

In addition, the Directors approved quarterly dividends on:

- Series F First Preferred Shares of \$0.36875 per share;
- Series G First Preferred Shares of \$0.3250 per share;
- Series H First Preferred Shares of \$0.30313 per share;
- Series I First Preferred Shares of \$0.28125 per share;
- Series L First Preferred Shares of \$0.353125 per share;
- Series M First Preferred Shares of \$0.3625 per share;
- Series N First Preferred Shares of \$0.1360 per share;
- Series O First Preferred Shares of \$0.108578 per share;
- Series P First Preferred Shares of \$0.3375 per share;
- Series Q First Preferred Shares of \$0.321875 per share;
- Series R First Preferred Shares of \$0.3000 per share; and
- Series S First Preferred Shares of \$0.328125 per share

all payable March 31, 2016 to shareholders of record at the close of business March 3, 2016.

For purposes of the Income Tax Act (Canada), and any similar provincial legislation, the dividends referred to above are eligible dividends.

## GREAT-WEST LIFECO

Great-West Lifeco Inc. (TSX:GWO) is an international financial services holding company with interests in life insurance, health insurance, retirement and investment services, asset management and reinsurance businesses. Lifeco has operations in Canada, the United States, Europe and Asia through Great-West Life, London Life, Canada Life, Irish Life, Great-West Financial and Putnam Investments. Lifeco and its subsidiaries have over \$1.2 trillion in consolidated assets under administration and are members of the Power Financial Corporation group of companies.

### Basis of presentation

The consolidated financial statements of Lifeco have been prepared in accordance with International Financial Reporting Standards (IFRS) and are the basis for the figures presented in this release, unless otherwise noted.

### Cautionary note regarding Forward-Looking Information

This release may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar expressions or negative versions thereof.

These statements may include, without limitation, statements about Lifeco's operations, business, financial condition, expected financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by Lifeco, including statements made with respect to the expected benefits of acquisitions and divestitures. Forward-looking statements are based on expectations, forecasts, predictions, projections and conclusions about future events that were current at the time of the statements and are inherently subject to, among other things, risks, uncertainties and assumptions about Lifeco, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and the reader is cautioned that actual events and results could differ materially from those expressed or implied by forward-looking statements. Material factors and assumptions that were applied in formulating the forward-looking information contained herein include the assumption that the business and economic conditions affecting Lifeco's operations will continue substantially in their current state, including, without limitation, with respect to customer behaviour, Lifeco's reputation, market prices for products provided, sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates, reinsurance, arrangements, liquidity requirements, capital requirements, credit ratings, taxes, inflation, interest and foreign exchange rates, investment values, hedging activities, global equity and capital markets, business competition and other general economic, political and market factors in North America and internationally. Many of these assumptions are based on factors and events that are not within the control of Lifeco and there is no assurance that they will prove to be correct. Other important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking statements include customer responses to new products, impairments of goodwill and other intangible assets, Lifeco's ability to execute strategic plans and changes to strategic plans, technological changes, breaches or failure of information systems and security (including cyber attacks), payments required under investment products, changes in local and international laws and regulations, changes in accounting policies and the effect of applying future accounting policy changes, unexpected judicial or regulatory proceedings, catastrophic events, continuity and availability of personnel and third party service providers, Lifeco's ability to complete strategic transactions and integrate acquisitions and unplanned material changes to Lifeco's facilities, customer and employee relations or credit arrangements. The reader is cautioned that the foregoing list of assumptions and factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out in Lifeco's 2015 Annual MD&A under "Risk Management and Control Practices" and "Summary of Critical Accounting Estimates", which, along with other filings, is available for review at [www.sedar.com](http://www.sedar.com). The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, Lifeco does not intend to update any forward-looking statements whether as a result of new information, future events or otherwise.

*Cautionary note regarding Non-IFRS Financial Measures*

This release contains some non-IFRS financial measures. Terms by which non-IFRS financial measures are identified include, but are not limited to, "operating earnings", "constant currency basis", "premiums and deposits", "sales", "assets under management", "assets under administration" and other similar expressions. Non-IFRS financial measures are used to provide management and investors with additional measures of performance to help assess results where no comparable IFRS measure exists. However, non-IFRS financial measures do not have standard meanings prescribed by IFRS and are not directly comparable to similar measures used by other companies. Please refer to the appropriate reconciliations of these non-IFRS financial measures to measures prescribed by IFRS.

*Further information*

Selected financial information is attached.

Great-West Lifeco's fourth quarter conference call and audio webcast will be held February 11, 2016 at 3:30 p.m. (ET). The call and webcast can be accessed through [www.greatwestlifeco.com](http://www.greatwestlifeco.com) or by phone at:

- Participants in the Toronto area: 416-340-2216
- Participants from North America: 1-866-223-7781
- For International participants: Look up the dial-in information for your location here:  
<https://www.confsoptions.ca/ILT?oss=1P49R8662237781>

A replay of the call will be available from February 11, 2016 to February 18, 2016, and can be accessed by calling 1-800-408-3053 or 905-694-9451 in Toronto (passcode: 6396358#). The archived webcast will be available on [www.greatwestlifeco.com](http://www.greatwestlifeco.com) from February 11, 2016 to February 10, 2017.

Additional information relating to Lifeco, including the 2015 audited consolidated financial statements, Management's Discussion and Analysis (MD&A), Annual Information Form (AIF) and CEO/CFO certification will be filed on SEDAR at [www.sedar.com](http://www.sedar.com).

For more information contact:

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# GREAT-WEST LIFECO INC.

## FINANCIAL HIGHLIGHTS *(unaudited)* *(in Canadian \$ millions except per share amounts)*

	As at or for the three months ended			For the twelve months ended	
	December 31 2015	September 30 2015	December 31 2014	December 31 2015	December 31 2014
<b>Premiums and deposits:</b>					
Net premium income (Life insurance, guaranteed annuities and insured health products)	\$ 6,162	\$ 5,891	\$ 5,501	\$ 24,501	\$ 21,222
Policyholder deposits (segregated funds):					
Individual products	3,814	3,157	3,185	12,983	11,826
Group products	2,001	2,738	1,955	8,609	9,083
Self-funded premium equivalents (Administrative services only contracts) <sup>(1)</sup>	665	639	654	2,625	2,603
Proprietary mutual funds and institutional deposits <sup>(1)</sup>	15,480	16,807	12,729	56,257	45,306
<b>Total premiums and deposits<sup>(1)</sup></b>	<b>28,122</b>	<b>29,232</b>	<b>24,024</b>	<b>104,975</b>	<b>90,040</b>
<b>Fee and other income</b>	<b>1,333</b>	<b>1,241</b>	<b>1,161</b>	<b>5,058</b>	<b>4,422</b>
<b>Paid or credited to policyholders<sup>(2)</sup></b>	<b>5,532</b>	<b>5,833</b>	<b>8,125</b>	<b>22,842</b>	<b>29,160</b>
<b>Earnings</b>					
Net earnings - common shareholders	\$ 683	\$ 720	\$ 657	\$ 2,762	\$ 2,546
<b>Per common share</b>					
Basic earnings	0.688	0.724	0.658	2.774	2.549
Dividends paid	0.3260	0.3260	0.3075	1.304	1.230
Book value	20.07	19.40	16.80		
<b>Return on common shareholders' equity<sup>(3)</sup></b>					
Net earnings	14.7%	15.2%	15.7%		
<b>Total assets</b>					
Proprietary mutual funds and institutional net assets <sup>(4)</sup>	252,480	239,050	216,271		
<b>Total assets under management<sup>(4)</sup></b>	<b>652,415</b>	<b>628,985</b>	<b>572,980</b>		
Other assets under administration <sup>(5)</sup>	560,102	524,813	490,353		
<b>Total assets under administration</b>	<b>\$ 1,212,517</b>	<b>\$ 1,153,798</b>	<b>\$ 1,063,333</b>		
<b>Total equity</b>	<b>\$ 25,260</b>	<b>\$ 24,534</b>	<b>\$ 21,897</b>		

<sup>(1)</sup> In addition to premiums and deposits reported in the financial statements, the Company includes premium equivalents on self-funded group insurance administrative services only (ASO) contracts and deposits on proprietary mutual funds and institutional accounts to calculate total premiums and deposits (a non-IFRS financial measure). This measure provides useful information as it is an indicator of top line growth.

<sup>(2)</sup> Paid or credited to policyholders includes the impact of changes in fair values of assets supporting insurance and investment contract liabilities.

<sup>(3)</sup> Return on common shareholders' equity is detailed within the "Capital Allocation Methodology" section of the Company's December 31, 2015 Management's Discussion and Analysis.

<sup>(4)</sup> Total assets under management (a non-IFRS financial measure) provides an indicator of the size and volume of the overall business of the Company. Services provided in respect of assets under management include the selection of investments, the provision of investment advice and discretionary portfolio management on behalf of clients. This includes internally and externally managed funds where the Company has oversight over the investment policies.

<sup>(5)</sup> Other assets under administration (a non-IFRS financial measure) includes assets where the Company only provides administration services for which the Company earns fee and other income. These assets are beneficially owned by clients and the Company does not direct the investing activities. Services provided relating to assets under administration includes recordkeeping, safekeeping, collecting investment income, settling of transactions or other administrative services. Administrative services are an important aspect of the overall business of the Company and should be considered when comparing volumes, size and trends.

# GREAT-WEST LIFECO INC.

## CONSOLIDATED STATEMENTS OF EARNINGS *(unaudited)*

*(in Canadian \$ millions except per share amounts)*

	For the three months ended December 31		For the years ended December 31	
	2015	2014	2015	2014
<b>Income</b>				
Premium income				
Gross premiums written	\$ 7,117	\$ 6,402	\$ 28,129	\$ 24,686
Ceded premiums	(955)	(901)	(3,628)	(3,464)
Total net premiums	6,162	5,501	24,501	21,222
Net investment income				
Regular net investment income	1,670	1,516	6,271	6,010
Changes in fair value through profit or loss	(844)	2,545	(2,010)	7,527
Total net investment income	826	4,061	4,261	13,537
Fee and other income	1,333	1,161	5,058	4,422
	8,321	10,723	33,820	39,181
<b>Benefits and expenses</b>				
Policyholder benefits				
Gross	6,060	5,335	22,553	19,363
Ceded	(546)	(513)	(2,000)	(1,928)
Total net policyholder benefits	5,514	4,822	20,553	17,435
Policyholder dividends and experience refunds	321	369	1,477	1,496
Changes in insurance and investment contract liabilities	(303)	2,934	812	10,229
Total paid or credited to policyholders	5,532	8,125	22,842	29,160
Commissions	584	514	2,218	2,084
Operating and administrative expenses	1,175	1,005	4,466	3,741
Premium taxes	92	86	339	339
Financing charges	73	77	303	304
Amortization of finite life intangible assets	37	34	146	132
Restructuring and acquisition expenses	7	7	35	32
<b>Earnings before income taxes</b>	821	875	3,471	3,389
Income taxes	66	164	460	628
<b>Net earnings before non-controlling interests</b>	755	711	3,011	2,761
Attributable to non-controlling interests	41	23	123	93
<b>Net earnings</b>	714	688	2,888	2,668
Preferred share dividends	31	31	126	122
<b>Net earnings - common shareholders</b>	\$ 683	\$ 657	\$ 2,762	\$ 2,546
<b>Earnings per common share</b>				
Basic	\$ 0.688	\$ 0.658	\$ 2.774	\$ 2.549
Diluted	\$ 0.686	\$ 0.657	\$ 2.768	\$ 2.546



# GREAT-WEST LIFECO INC.

## CONSOLIDATED BALANCE SHEETS *(unaudited)* *(in Canadian \$ millions)*

	December 31	
	2015	2014
<b>Assets</b>		
Cash and cash equivalents	\$ 2,813	\$ 2,498
Bonds	114,943	103,168
Mortgage loans	22,021	20,546
Stocks	7,873	7,820
Investment properties	5,237	4,613
Loans to policyholders	8,694	7,711
	161,581	146,356
Funds held by ceding insurers	15,512	12,154
Goodwill	5,913	5,855
Intangible assets	4,036	3,625
Derivative financial instruments	461	652
Owner occupied properties	653	619
Fixed assets	298	228
Other assets	2,643	2,368
Premiums in course of collection, accounts and interest receivable	3,553	3,056
Reinsurance assets	5,131	5,151
Current income taxes	69	48
Deferred tax assets	1,891	1,631
Investments on account of segregated fund policyholders	198,194	174,966
<b>Total assets</b>	\$ 399,935	\$ 356,709
<b>Liabilities</b>		
Insurance contract liabilities	\$ 158,492	\$ 145,198
Investment contract liabilities	2,180	857
Debentures and other debt instruments	5,395	5,355
Capital trust securities	161	162
Funds held under reinsurance contracts	356	313
Derivative financial instruments	2,624	1,195
Accounts payable	1,755	1,480
Other liabilities	3,367	3,099
Current income taxes	492	737
Deferred tax liabilities	1,659	1,450
Investment and insurance contracts on account of segregated fund policyholders	198,194	174,966
<b>Total liabilities</b>	374,675	334,812
<b>Equity</b>		
Non-controlling interests		
Participating account surplus in subsidiaries	2,611	2,480
Non-controlling interests in subsidiaries	195	163
Shareholders' equity		
Share capital		
Preferred shares	2,514	2,514
Common shares	7,156	7,102
Accumulated surplus	10,431	9,134
Accumulated other comprehensive income	2,218	378
Contributed surplus	135	126
<b>Total equity</b>	25,260	21,897
<b>Total liabilities and equity</b>	\$ 399,935	\$ 356,709

**Segmented Information** *(unaudited)*

**Consolidated Net Earnings**

For the three months ended December 31, 2015

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 3,023	\$ 1,148	\$ 1,991	\$ —	\$ 6,162
Net investment income					
Regular net investment income	654	471	547	(2)	1,670
Changes in fair value through profit or loss	(7)	(320)	(517)	—	(844)
Total net investment income	647	151	30	(2)	826
Fee and other income	369	637	327	—	1,333
	<u>4,039</u>	<u>1,936</u>	<u>2,348</u>	<u>(2)</u>	<u>8,321</u>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	2,799	1,084	1,649	—	5,532
Other <sup>(1)</sup>	819	674	354	4	1,851
Financing charges	29	37	7	—	73
Amortization of finite life intangible assets	16	17	4	—	37
Restructuring and acquisition expenses	—	4	3	—	7
<b>Earnings (loss) before income taxes</b>	<u>376</u>	<u>120</u>	<u>331</u>	<u>(6)</u>	<u>821</u>
Income taxes (recovery)	70	(8)	5	(1)	66
<b>Net earnings (loss) before non-controlling interests</b>	<u>306</u>	<u>128</u>	<u>326</u>	<u>(5)</u>	<u>755</u>
Non-controlling interests	40	2	(1)	—	41
<b>Net earnings (loss)</b>	<u>266</u>	<u>126</u>	<u>327</u>	<u>(5)</u>	<u>714</u>
Preferred share dividends	25	—	6	—	31
<b>Net earnings (loss) before capital allocation</b>	<u>241</u>	<u>126</u>	<u>321</u>	<u>(5)</u>	<u>683</u>
Impact of capital allocation	21	(1)	(18)	(2)	—
<b>Net earnings (loss) - common shareholders</b>	<u>\$ 262</u>	<u>\$ 125</u>	<u>\$ 303</u>	<u>\$ (7)</u>	<u>\$ 683</u>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

# GREAT-WEST LIFECO<sub>INC.</sub>

For the three months ended December 31, 2014

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 2,839	\$ 855	\$ 1,807	\$ —	\$ 5,501
Net investment income					
Regular net investment income	638	371	507	—	1,516
Changes in fair value through profit or loss	695	217	1,633	—	2,545
Total net investment income	1,333	588	2,140	—	4,061
Fee and other income	349	522	290	—	1,161
	<u>4,521</u>	<u>1,965</u>	<u>4,237</u>	<u>—</u>	<u>10,723</u>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	3,327	1,229	3,569	—	8,125
Other <sup>(1)</sup>	747	556	298	4	1,605
Financing charges	28	35	13	1	77
Amortization of finite life intangible assets	14	15	5	—	34
Restructuring and acquisition expenses	—	—	7	—	7
Earnings (loss) before income taxes	405	130	345	(5)	875
Income taxes (recovery)	83	35	48	(2)	164
Net earnings (loss) before non-controlling interests	322	95	297	(3)	711
Non-controlling interests	24	2	(3)	—	23
Net earnings (loss)	298	93	300	(3)	688
Preferred share dividends	23	—	6	2	31
Net earnings (loss) before capital allocation	275	93	294	(5)	657
Impact of capital allocation	25	(4)	(20)	(1)	—
Net earnings (loss) - common shareholders	<u>\$ 300</u>	<u>\$ 89</u>	<u>\$ 274</u>	<u>\$ (6)</u>	<u>\$ 657</u>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

GREAT-WEST  
**LIFECO** INC.

For the twelve months ended December 31, 2015

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 11,303	\$ 3,858	\$ 9,340	\$ —	\$ 24,501
Net investment income					
Regular net investment income	2,512	1,676	2,081	2	6,271
Changes in fair value through profit or loss	(358)	(532)	(1,120)	—	(2,010)
Total net investment income	2,154	1,144	961	2	4,261
Fee and other income	1,459	2,378	1,221	—	5,058
	<b>14,916</b>	<b>7,380</b>	<b>11,522</b>	<b>2</b>	<b>33,820</b>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	9,991	4,138	8,713	—	22,842
Other <sup>(1)</sup>	3,143	2,515	1,349	16	7,023
Financing charges	116	144	42	1	303
Amortization of finite life intangible assets	59	69	18	—	146
Restructuring and acquisition expenses	—	12	23	—	35
<b>Earnings (loss) before income taxes</b>	<b>1,607</b>	<b>502</b>	<b>1,377</b>	<b>(15)</b>	<b>3,471</b>
Income taxes (recovery)	285	77	105	(7)	460
<b>Net earnings (loss) before non-controlling interests</b>	<b>1,322</b>	<b>425</b>	<b>1,272</b>	<b>(8)</b>	<b>3,011</b>
Non-controlling interests	111	10	2	—	123
<b>Net earnings (loss)</b>	<b>1,211</b>	<b>415</b>	<b>1,270</b>	<b>(8)</b>	<b>2,888</b>
Preferred share dividends	103	—	23	—	126
<b>Net earnings (loss) before capital allocation</b>	<b>1,108</b>	<b>415</b>	<b>1,247</b>	<b>(8)</b>	<b>2,762</b>
Impact of capital allocation	87	(6)	(73)	(8)	—
<b>Net earnings (loss) - common shareholders</b>	<b>\$ 1,195</b>	<b>\$ 409</b>	<b>\$ 1,174</b>	<b>\$ (16)</b>	<b>\$ 2,762</b>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.

# GREAT-WEST LIFECO<sub>INC.</sub>

For the twelve months ended December 31, 2014

	Canada	United States	Europe	Lifeco Corporate	Total
<b>Income</b>					
Total net premiums	\$ 10,883	\$ 3,527	\$ 6,812	\$ —	\$ 21,222
Net investment income					
Regular net investment income	2,548	1,420	2,045	(3)	6,010
Changes in fair value through profit or loss	2,588	784	4,155	—	7,527
Total net investment income	5,136	2,204	6,200	(3)	13,537
Fee and other income	1,409	1,820	1,193	—	4,422
	<u>17,428</u>	<u>7,551</u>	<u>14,205</u>	<u>(3)</u>	<u>39,181</u>
<b>Benefits and expenses</b>					
Paid or credited to policyholders	12,676	4,901	11,583	—	29,160
Other <sup>(1)</sup>	2,916	1,994	1,237	17	6,164
Financing charges	115	140	48	1	304
Amortization of finite life intangible assets	55	57	20	—	132
Restructuring and acquisition expenses	—	3	29	—	32
Earnings (loss) before income taxes	1,666	456	1,288	(21)	3,389
Income taxes (recovery)	355	128	150	(5)	628
Net earnings (loss) before non-controlling interests	1,311	328	1,138	(16)	2,761
Non-controlling interests	88	6	(1)	—	93
Net earnings (loss)	1,223	322	1,139	(16)	2,668
Preferred share dividends	93	—	23	6	122
Net earnings (loss) before capital allocation	1,130	322	1,116	(22)	2,546
Impact of capital allocation	98	(16)	(78)	(4)	—
Net earnings (loss) - common shareholders	<u>\$ 1,228</u>	<u>\$ 306</u>	<u>\$ 1,038</u>	<u>\$ (26)</u>	<u>\$ 2,546</u>

<sup>(1)</sup> Includes commissions, operating and administrative expenses and premium taxes.